



**GUIDE-DOGS
ASSOCIATION**
South Africa

NOTICE

66th ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 66th ANNUAL GENERAL MEETING OF SOUTH AFRICAN GUIDE-DOGS ASSOCIATION FOR THE BLIND WILL BE HELD AT GLADYS EVANS TRAINING CENTRE ON WEDNESDAY 18 SEPTEMBER 2019 AT 14h30.

AGENDA

1. Apologies
2. Confirmation of the minutes of the 65th AGM held on 26 September 2018
3. Matters arising from the previous minutes
4. Chairman' Report
5. Treasurer's Report
6. Executive Director's Report
7. Auditors' Report
8. Acceptance of the Annual Financial Statements
9. Election of Board Members
10. Appointment of Auditors
11. General
12. Meeting closure

**GAUTENG OFFICE & TRAINING CENTRE
THE GLADYS EVANS TRAINING CENTRE**

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P O Box 67585, Bryanston, 2021
Tel: 011 705 3512 / 0860 100 922
Fax: 086 506 3364
Email: info@guidedog.org.za
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**WESTERN CAPE OFFICE
DE VILLIERS HOUSE**

89 Belvedere Road, Claremont, 7708
P O Box 2674, Clareinch, 7740
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P O Box 20120, Durban North, 4016
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STATEMENT OF THE BOARD OF THE ASSOCIATION'S RESPONSIBILITY FOR THE YEAR ENDED 31 MARCH 2019

The Board of the Association is responsible for the preparation, integrity and fair presentation of the annual financial statements of South African Guide-Dogs for the Blind. The annual financial statements for the year ended 31 March 2019, presented on pages 8 to 21, have been prepared in accordance with the Conceptual Framework as contained in IFRS for small and medium-sized entities; and include amounts based on judgements and estimates made by management.

The Board of the Association considers that in preparing the annual financial statements, it has used the most appropriate policies, consistently applied and supported by reasonable, prudent judgements and estimates, and that the Conceptual Framework has been applied.

The annual financial statements fairly present the results of operations for the year and the financial position of the Association at year end in accordance with the above framework. The Board of the Association has

a responsibility for ensuring that accounting records are kept. The accounting records should disclose with reasonable accuracy, the financial position and results of the Association to enable the Board of the Association to ensure that the annual financial statements comply with relevant legislation.

The Association operates in an established control environment, which is documented and regularly reviewed. This incorporates risk management and internal control procedures which are designed to provide reasonable, but not absolute, assurance that assets are safeguarded and the risks facing the operations are being controlled. Nothing has come to the attention of the Board of the Association to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The Board of the Association has reviewed the Association's budget and cash flow forecast for the financial

year to 31 March 2020. On the basis of this review and in light of the current financial position, the Board of the Association is satisfied that the Association has access to adequate resources to continue in operational existence for the foreseeable future and is a going concern. It has continued to adopt the going concern basis in preparing the annual financial statements. These annual financial statements support the viability of the Association.

The annual financial statements have been audited by the independent auditors, Axiom Registered Accountants & Auditors, who was given unrestricted access to all financial records and related data, including minutes of all meetings of management, Board of the Association and Committees of the Board.

The audit report of Axiom Registered Accountants & Auditors is presented on page 10 to 11.



CHAIRMAN

07 August 2019

DATE



TREASURER

07 August 2019

DATE

CEO'S REPORT – YEAR ENDED 31 MARCH 2019

I joined the S A Guide-Dogs Association for the Blind on 1 October 2018.

Coming from the corporate world, my eyes were opened to the total dedication, commitment and passion of each staff member working towards the greater cause of the organisation. Our Mission Statement, "To enhance the lives of visually- and physically-impaired people and children with Autism," is lived out each day throughout the organisation.

A very big thanks must go to our Puppy Raisers, who play a very important role in our organisation. They spend countless months caring for, training and socialising the puppies who will become Guide, Service or Autism Support Dogs. A well-socialised puppy will have fewer adjustments to make when they come back to the office for formal training.

We all know that everybody is under more and more financial pressure in our country today, but people are still finding means to invest and donate funds in their own way. The Marketing team has embarked on a new era of collaboration and innovation with many different stakeholders to invest in our organisation.

The College of Orientation and Mobility had a good year. They trained 359 visually-impaired adults and children to obtain long cane and daily living skills, against the previous year's number of 314 people. We have also embarked on training more Orientation and Mobility Practitioners, so we can support more people in the future. Between our Johannesburg and Cape Town dog training facilities of Guide, Service and Autism Support Dogs, we had 45 dogs graduate and paired with

clients, against the previous year of 36 dogs.

We have also started a journey to enlarge our breeding facilities, thus allowing us to breed more dogs in years to come. The building of these facilities will start later this year.

Our Vision of "Making lives better" going forward is to put in place the building blocks for S A Guide-Dogs to improve the quality of life of more people over the next five years.

Thank you



VW TUTTON
CEO

25 July 2019
DATE

TREASURER'S REPORT – YEAR ENDED 31 MARCH 2019

The Association completed another satisfactory financial year in spite of the prolonged economic slump, and while a net deficit was reported, the final outcome was significantly more positive than had been planned.

During the past 18 months, the Association has been implementing a strategy which includes holding its training standards at a level comparable with those achieved internationally, and to increase its output of trained dogs. Given the high cost of training dogs, it is vital that all puppies and their immediate surroundings are closely monitored to detect, wherever possible, any threat – mainly physical or environmental – that could prevent a puppy from successfully graduating as a fully qualified Guide or Service Dog. This naturally requires that all dogs are routinely tested and receive regular veterinary examinations in their early months to ensure that controllable risks are detected and countered before dogs begin formal training. The facilities in our Puppy Block must be hygienically maintained, similar to surgical wards in hospitals! Correspondingly, the plan to grow the number of trained dogs to be available to assist our customers necessitates the need to have both sufficient trained personnel and adequate facilities ready to accommodate a higher dog population – all of which entail a significantly higher investment.

While some may query the decision to expand during times when revenues are likely to be under threat, the Board was strongly committed to achieving the strategic objectives and had sufficient confidence in management to reach the targets set. As the Association had adequate resources to fund the

expansion, a budget was approved which, for the first time in a number of years, would see expenditure exceeding total income by some R 3,7 million.

The stagnant economy has continued to hinder most of our various fundraising activities, and the Marketing team was seriously challenged to meet the revenue targets set. The team nevertheless rose to the challenge and marginally beat budget, ultimately achieving a growth in total revenues of 4% over the previous year. Legacy income from wills and trusts has continued to grow – not only in real terms, but also as a percentage of our gross income – and now represents 45% of total income, contributing R 15,3 million to the current year's result. Revenue from both Donations & Sponsorships, as well as traditional Fundraising efforts, saw significant declines, and management continue to explore new initiatives to raise the much-needed income to support our activities.

We were gratified to receive a grant from the National Lotteries Commission and earnestly hope to receive further such grants in the future. The balance of our revenues is entirely privately funded, and we sincerely appreciate the loyal support we get from our corporate and individual sponsors, donors, members and other supporters. Even during the tough economic times, our various benefactors have managed to continue to give generously to our wide variety of needs and projects.

Expenditure across the board was well controlled and generally within budget. Under-spending occurred in some areas, mainly as a result of the deferral of the planned major expansion, due

to the slower than anticipated time taken to get all the approvals required before construction of the new building could begin. The necessary formalities are now reaching final sign-off, with contracts and costings being completed.

As mentioned, the current strategy sees a commitment to raising the standard of training for dogs, as well as increasing the output of trained dogs. The impact of these plans has contributed to the rise in our expenditures over the prior year, following the employment of additional trainers, greater medical bills (e.g. more frequent X-rays), and the first phase of up-grading and expanding the accommodation facilities at our training centre in Sandton.

We employed additional staff in the Marketing teams in both Cape Town and Durban to improve our fundraising efforts on a national basis. These additional expenses were within budget, and we now believe the marketing resources are well positioned to drive revenue growth in the other major centres.

Our new CEO – appointed in mid-year – brought additional focus on the need to invest in technology to maximise efficiencies and tighten controls over our various business processes, not to mention improving our communications to members and donors – thereby increasing our potential for fundraising opportunities. The results thus reflect a higher spending on IT-related costs than had been budgeted for.

The depreciation charge for the year was significantly higher than we had anticipated following a critical examination of the state of the vehicle

fleet. While much of the adjustment would technically be attributable to prior years, after consultation with the Association's auditors, the full correction was accounted for in the current year. No restatement of prior years' results was deemed necessary.

In many cases, visually-impaired persons are either not able to, or elect not to, have a dog as a guiding companion, and the decision to establish our College for Orientation and Mobility some years back is now bearing fruit – expanding steadily and achieving excellent results. Through the training of O & M Practitioners and then utilising many of these ourselves to grow our own team, we are able to provide many more people – particularly in less affluent areas – with alternate mechanisms to cope with their visual challenges and to become confident and less dependent on others. Without Government

financial support, this operation will continue to be demanding from a financial point of view, but we remain fully committed to developing this part of our business through greater funding and investment.

Our income from investments for the year was very satisfactory – particularly in the current economic environment and during a period plagued with intense political uncertainty, which adversely impacted on financial markets – and we acknowledge the skills of our fund managers in handling our portfolio through these troubled times. The decision to invest a significant portion of our funds offshore would appear to have been a wise one, and this component has reflected very healthy growth during the past year, largely due to the volatility of the local currency.

Capital expenditure for the year amounted to just over R 1 million, all of which was within the approved budget.

My term as Treasurer of the Association will be coming to an end at the forthcoming AGM, as I have begun switching roles, and I look forward to continuing to serve the Association in a new and challenging position.

In conclusion, I would like to thank Jayne Nicolle and her team for their dedicated efforts throughout the year and contributing to the disciplines and controls maintained over the finances of the Association.



L.D. DRAKE
HONOURARY TREASURER

25 July 2019
DATE

OFFICE BEARERS

Executive Director	Mr Vernon Wooding Tutton
Honorary Chairman	Mr Nigel William Unwin
Honorary Vice Chairman	Mr Alastair Duncan Stalker
Honorary Treasurer	Mr Laurence David Drake
Honorary Board Members	Mr Philip Louis Kuhn Mr Grant Andrew Finnermore Mr Philip John Case Mrs Deirdre Venter (Bone)
Honorary Secretary	Mrs Janet Margaret Cowley

NATURE OF ASSOCIATION

To enhance the mobility and independence of people who have visual, physical and developmental needs.

AUDITORS

Axiom Registered Accountants and Auditors

BANKERS

Nedbank Limited

INVESTMENT FUND MANAGERS

Nedbank Private Wealth

**NON-PROFIT ORGANISATION
REGISTRATION NUMBER**

000-758 NPO

REGISTERED OFFICE

126 Wroxham Road
Rietfontein 2IR
Sandton
2191

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APPROVAL OF ANNUAL FINANCIAL STATEMENTS

The annual financial statements set out on pages 13 to 21 were approved by the Board and are signed on its behalf by:



CHAIRMAN



TREASURER

07 August 2019

DATE

07 August 2019

DATE



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SOUTH AFRICAN GUIDE-DOGS ASSOCIATION FOR THE BLIND

Qualified Opinion

We have audited the financial statements of the South African Guide-Dogs Association for the Blind set out on pages 5 to 12, which comprise the statement of financial position as at 31 March 2019, and the statement of profit or loss and other comprehensive income and statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies. In our opinion, except for the possible effect of the matter described in the Basis for Qualified Opinion section of our report, the financial statements present fairly, in all material respects, the financial position of the South African Guide-Dogs Association for the Blind as at 31 March 2019, and its financial performance for the year then ended in accordance with basis of accounting referred to in note 1.

Basis for Qualified Opinion

The South African Guide-Dogs Association for the Blind, in common with other charitable organisations, receives certain income from public donations and functions, the recognition of which, due to its nature, is not susceptible to verification by generally accepted auditing procedures. Therefore, our examination relating to such income was limited to the amount thereof recorded in the financial records.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the association in accordance with sections 290 and 291 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised January 2018) (IRBA Code (Revised January 2018)), parts 1 and 3 of the Independent Regulatory Board for Auditors' Code of Professional Conduct

for Registered Auditors (Revised November 2018) (IRBA Code (Revised November 2018)) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code (Revised January 2018), the IRBA Code (Revised November 2018) and in accordance with other ethical requirements applicable to performing audits in South Africa. Section 290 and 291 of the IRBA Code (Revised January 2018) are consistent with sections 290 and 291 of the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants. Parts 1 and 3 of the IRBA Code (Revised November 2018) are consistent with parts 1 and 3 of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards.) We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Basis of Accounting

Without qualifying our opinion, we draw attention to the basis of accounting contained in the financial statements. The basis of accounting therein is not intended to, and does not, comply with all the requirements of International Financial Reporting Standards.

Other Information

The Association's Board is responsible for the other information. The other information comprises the Board Responsibility report and Report of the Board as required by the South African Guide-Dogs Association for the Blind. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of

assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board for the Financial Statements

The Association's Board is responsible for the preparation and fair presentation of the financial statements in accordance with the requirements of the South African Guide-Dogs Association for the Blind, and for such internal control as the Association's Board determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Association's Board are responsible for assessing the association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Association's Board either intend to liquidate the association or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted

in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery,

intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Association's Board.
- Conclude on the appropriateness of the Association's Board use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are

required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the association to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Association's Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Axiom Registered Accountants and Auditors - Pretoria

AXIOM REGISTERED ACCOUNTANTS & AUDITORS
REGISTERED AUDITOR – DEAN MICHAEL PRETORIUS (388497)
 SHOP 7 MAGIC GARDEN CENTRE, ARCONPARK, VEREENIGING, 1930



**REPORT OF THE BOARD OF THE SOUTH AFRICAN GUIDE-DOGS ASSOCIATION FOR THE BLIND
FOR THE YEAR ENDED 31 MARCH 2019**

The Board presents its report and the financial statements for the year then ended.

NATURE OF BUSINESS

To enhance the mobility and independence of people who have visual, physical and developmental needs.

FINANCIAL RESULTS

The results of operations as well as the financial position for the year ended are detailed in the attached financial statements

CAPITAL

The Association does not have share capital. In the event of the winding up of the Association, the balance of funds available would be transferred to another organisation with similar objectives.

PROPERTY, PLANT AND EQUIPMENT

There was no change in the nature of the property, plant and equipment of the Association or in the policy regarding their use.

EVENTS SUBSEQUENT TO THE YEAR END

No material fact or circumstance has occurred since the accounting date and the date of this report.

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 R '000	2018 R '000
SUBSCRIPTIONS	5	28	42
OTHER INCOME	2	18 249	20 934
Donations and sponsorships		10 287	12 363
Fundraising		2 060	3 205
College of Orientation and Mobility Training income		488	139
Grant from National Lottery		203	-
Sale of dogs		30	39
Investment income		4 711	4 634
Sundry income	3	470	554
EXPENDITURE		35 243	28 572
Depreciation	11	1 274	585
Marketing		4 631	5 054
Administration		8 251	6 210
Fleet		772	690
Kennels		6 396	4 207
Training Centre Johannesburg		6 078	4 944
Training Centre Cape Town		1 904	1 531
Property Johannesburg		1 059	1 335
Property Cape Town		503	322
College of Orientation and Mobility Johannesburg		4 375	3 694
OPERATING (LOSS) / PROFIT FOR THE YEAR		(16 966)	(7 596)
Finance costs		-	-
(LOSS) / PROFIT FOR THE YEAR		(16 966)	(7 596)
OTHER COMPREHENSIVE INCOME	2	15 267	11 251
Legacies received		15 100	11 084
Contribution from The John and Esther Ellerman Memorial Trust		167	167
NET (DEFICIT) / SURPLUS FOR THE YEAR		(1 699)	3 655

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019

Notes		Accumulated surplus R '000	Revaluation reserve R '000	Total R '000
Balance at 31 March 2017		109 418	20 165	129 583
Net deficit for the year		(7 598)	-	(7 598)
Revaluation reserve		-	(11)	(11)
Legacies received for the year	2	11 251	-	11 251
Net profit on disposal of financial assets	2 / 3	66	-	66
Balance at 31 March 2018		113 137	20 154	133 291
Net deficit for the year		(16 966)	-	(16 966)
Revaluation reserve		-	4 497	4 497
Legacies received for the year	2	15 267	-	15 267
Net profit / (loss) on disposal of financial assets	2 / 3	(100)	-	(100)
Balance at 31 March 2019		111 338	24 651	135 989

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**1. ACCOUNTING POLICIES**

The annual financial statements as set out on pages 2 - 12 are prepared on the historical cost basis with the exception of financial assets as detailed in note 1.2, and incorporate the following principal accounting policies which are consistent with those applied in the previous year.

The financial statements are prepared on the going concern basis. The board adopted the Conceptual Framework as contained in the International financial reporting standards (IFRS) for the basis of accounting.

1.1 Property, plant and equipment

Assets are stated at cost less accumulated depreciation and any impairment in value.

Depreciation is calculated on a straight line basis over the estimated useful life of the asset as follows:

10 years	Furniture and fittings
10 years	Motor vehicles
6 years	Equipment
5 years	IT Equipment
2 years	Computer software
10 years	College of Orientation and Mobility (COM) library.

Properties are not depreciated nor subject to impairment and are stated at cost or bequeathed value. The carrying values of assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount.

An item of equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the statement of comprehensive income in the year the item is derecognised.

1.2 Financial assets

All financial assets are initially recognised at cost. Listed equities are recognised as financial assets, which are measured at fair value, with unrealised gains and losses recognised as a separate component of equity, until the financial assets are sold. Fair value of financial assets are determined by reference to quoted market prices.

Financial assets - Foreign

Due to the strategic long-term nature of the Association's investments in international equity funds, where the common practice is to capitalise annual returns; and where variations in exchange rates have the same outcome on the reported current value of such funds as changing market values, the Association does not recognise the income generated from these investments on an annual basis; all changes in value (including dividends received, interest, capital profits/losses on disposals within the funds, variations in exchange rates and changes in the closing market values of the underlying investments etc) are taken directly to the Revaluation Reserve – similar to the market value changes of local investments.

The reported value of these funds is calculated by converting the foreign currency values of the respective funds at the ruling local currency (ZAR) to foreign currency exchange rate at the year end.

1.3 Employee Benefits*Defined contribution plans*

Contributions in respect of defined contribution plans are recognised as an expense in the year to which they relate.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 – CONTINUED

1.4 Provisions

Provisions are recognised where the Association has a present legal or constructive obligation as a result of a past event, a reliable estimate of the obligation can be made and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

1.5 Inventory

Inventory is valued at the lower of cost, or net realisable value.

1.6 Revenue

Donations, Sponsorships, Events, Trading and Subscriptions

Revenue from donations, sponsorships and subscriptions are recognised when cash is received and is stated at net of direct costs incurred.

Course fees

Course fees are recognised when due to the Association.

Interest and Dividends

Interest is recognised on the accrual basis.

Dividends are recognised when these are received.

Profit and loss on disposal of financial assets

On disposal of financial assets the profit and/or loss made is stated directly in equity under the statement of changes in equity.

1.7 Legacies

Legacies received are credited directly to accumulated funds.

1.8 TAXATION

The Association is an approved public benefit organisation and is exempt from normal tax in terms of section 30 of the Income Tax Act.

2. REVENUE

Total revenue comprises:

	2019	2018
	R '000	R '000
- Donations and sponsorships	10 490	12 363
- Fundraising	2 992	3 937
- Investment income	4 711	4 634
	<hr/>	<hr/>
	18 193	20 934
- Subscriptions	28	42
- Legacies received	15 267	11 251
- Net profit / (loss) on disposal of financial assets	(100)	67
	<hr/>	<hr/>
	33 388	32 294

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 – CONTINUED

	2019	2018
	R '000	R '000
3. INCOME FROM FINANCIAL ASSETS		
Investment income	4 711	4 634
- Dividends : Nedbank Private Wealth Securities	3 302	3 469
- Interest : Nedbank Private Wealth Securities	1 399	1 153
- Interest : Cash and bank	10	12
Net profit / (loss) on disposal of financial assets	(100)	67
- Loss on sale of investments	(1 081)	-
- Profit on sale of investments	981	67
	<u>4 611</u>	<u>4 701</u>
4. OPERATING COSTS		
Operating costs include:		
Audit fees	62	59
- Current year	49	48
- Accounting fees	6	4
- Other expenses	7	7
Depreciation of property, plant and equipment	1 274	585
- Furniture and fittings	(151)	76
- Motor vehicles	1 189	276
- Equipment	20	140
- Computers	200	84
- Software	1	4
- COM library	15	5
Staff costs		
- Key management salaries and wages	5 301	4 372
- Other employees salaries and wages	14 981	12 848
Total salaries and wages	20 282	17 220
- Contributions to retirement funds and related insurance	2 462	2 105
- Medical aid contributions	1 111	899
Total staff costs	<u>23 855</u>	<u>20 224</u>
	2019	2018
Staff numbers	#	#
- Average number of key management employed during the year	8	7
- Average number of other employees employed during the year	71	65
Total average number of employees during the year	<u>79</u>	<u>72</u>
	2019	2018
5. MEMBERSHIP	#	#
Annual	241	331
Life	91	187
	<u>150</u>	<u>144</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 - CONTINUED

6. PROPERTY, PLANT AND EQUIPMENT

	2019			2018		
	R '000 Cost	R '000 Accumulated Depreciation	R '000 Carrying Value	R '000 Cost	R '000 Accumulated Depreciation	R '000 Carrying Value
Property	12 908	-	12 908	12 908	-	12 908
Furniture and fixtures	1 088	(759)	329	1 072	(910)	162
Motor vehicles	5 868	(2 905)	2 963	5 403	(1 721)	3 682
Equipment	1 386	(607)	779	1 253	(587)	666
IT Equipment	1 271	(660)	611	820	(461)	359
Computer software	60	(60)	-	60	(59)	1
COM library	50	(50)	-	50	(35)	15
	22 631	(5 041)	17 590	21 566	(3 773)	17 793

Reconciliation of property,
plant and equipment

	2019				Closing Balance
	Opening Balance	Additions	Disposals	Depreciation	
Property	12 908	-	-	-	12 908
Furniture and fixtures	162	16	-	151	329
Motor vehicles	3 682	470	-	(1 189)	2 963
Equipment	666	133	-	(20)	779
IT Equipment	359	452	-	(200)	611
Computer software	1	-	-	(1)	-
COM library	15	-	-	(15)	-
	17 793	1 071	-	(1 274)	17 590

Reconciliation of property,
plant and equipment

	2018				Closing Balance
	Opening Balance	Additions	Disposals	Depreciation	
Property	12 754	154	-	-	12 908
Furniture and fixtures	198	41	-	(76)	162
Motor vehicles	3 985	-	(27)	(276)	3 682
Office equipment	394	416	(4)	(140)	666
IT Equipment	426	17	-	(84)	359
Computer software	5	-	-	(4)	1
COM library	20	-	-	(5)	15
	17 782	628	(31)	(585)	17 793

DETAILS OF PROPERTIES

1. Portion 126 of Rietfontein 21R, Sandton T54408/1983
2. 89 Belvedere Road, Claremont T93012/2005
3. 85 Belvedere Road, Claremont T94572/2007

The aggregate value of the properties has been assessed by the respective municipalities at R 12 900 000 (2016 - R 11 750 000).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019 – CONTINUED

7. FINANCIAL ASSETS

	2019 R '000	2018 R '000
Nedbank Private Wealth Securities Managed Portfolio	109 758	99 939
Local	77 045	75 222
Foreign	32 713	24 717
Funds on Call	9 361	14 982
	<u>119 119</u>	<u>114 921</u>
Opening balance	114 921	111 858
Interest received	1 399	1 153
Dividends received	3 302	3 469
Management fees	(764)	(794)
Capital (redeemed)/introduced	(4 136)	(821)
Shares sold	(30 049)	(3 717)
Proceeds on sale of shares	29 949	3 784
Adjust to fair value – prior year reversal	(20 154)	(20 165)
Adjust to fair value – current year	24 651	20 154
	<u>119 119</u>	<u>114 921</u>

8. INVENTORY

Office stationery	6	9
Trading items	407	236
	<u>413</u>	<u>245</u>

9. TRADE AND OTHER RECEIVABLES

SARS – VAT	244	147
Prepayments	225	308
Sundry debtors	30	52
Deposits	4	801
	<u>503</u>	<u>1 308</u>
<i>Maturity profile</i>		
Within one year	499	1 300
More than one year	4	8
	<u>503</u>	<u>1 308</u>

Fair value of trade and other receivables

The carrying value approximates the fair value because of the short period to maturity of these instruments.

Collateral

The company holds no collateral over trade and other receivables.

	2019	2018
	R '000	R '000
10. TRADE AND OTHER PAYABLES		
Trade payables	1 532	825
Other payables	941	700
	<u>2 473</u>	<u>1 525</u>
Maturity profile	2 473	1 525
Within one year	-	-
One to two years	<u>2 473</u>	<u>1 525</u>

Fair value of trade & other payables

The carrying value approximates the fair value because of the short period to settlement of these obligations.

Leave pay provision

The leave pay provision which is included in other payables was based on 18% (2018: 18%) of the total obligation of R872 583 (2018: R705 353) for the year.

11. DEPRECIATION

Depreciation rates were revised during the year as per note 1.1

	Previous Depreciation R '000	Increase / (decrease) R '000	Revised Depreciation R '000	Increase / (decrease) in carrying value R '000
Property	-	-	-	-
Furniture and fixtures	68	(219)	(151)	219
Motor vehicles	290	899	1 189	(899)
Equipment	176	(156)	20	156
IT Equipment	111	89	200	(89)
Computer software	1	-	1	-
COM library	15	-	15	-
	<u>661</u>	<u>613</u>	<u>1 274</u>	<u>(613)</u>

The previous years comparative figures have not been re-stated.

